ASHMORE SAUDI EQUITY FUND
(An open-ended mutual fund)
Managed by
Ashmore Investments Saudi Arabia
Financial statements
For the year ended 31 December 2024
together with the
Independent Auditor's Report

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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ashmore Saudi Equity Fund ("the Fund"), being managed by Ashmore Investment Saudi Arabia (the "Fund Manager"), as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

We have audited the financial statements of the fund, which comprise of the following:

- The statement of financial position as at 31 December 2024;
- The statement of comprehensive income for the year then ended;
- The statement of changes in net assets attributable to the unitholders for the year then ended;
- The statement of cash flows for the year then ended, and;
- The notes to the financial statements, comprising material accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISA") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Fund's Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA, the fund's terms and conditions, Investment funds regulations issued by Capital Market Authority (CMA) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Fund's management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Fund's board, are responsible for overseeing the Fund's financial reporting process.

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS
ASHMORE SAUDI EQUITY FUND
RIYADH, KINGDOM OF SAUDI ARABIA

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing "ISA" that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For PKF Al Bassam Chartered Accountants

Ahmad Mohandis
Certified Public Accountant
License No. 477
Riyadh, Kingdom of Saudi Arabia
20 Ramadan 1446H
Corresponding to: 20 March 2025

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

ASHMORE SAUDI EQUITY FUND
(An open-ended mutual fund)
Managed by
Ashmore Investments Saudi Arabia
STATEMENT OF FINANCIAL POSITION
As at 31 December 2024
(Amounts in SAR)

	Notes	31 December 2024	31 December 2023
ASSETS			
Cash and cash equivalents	6	**1,302,973**	1,186,805
Investments measured at fair value through profit or loss (“FVTPL”)	7	**73,678,761**	43,320,603
Other assets	8	**2,185,433**	2,440,091
Total assets		**77,167,167**	46,947,499
LIABILITIES			
Accrued expenses	9	**116,944**	70,823
Total liabilities		**116,944**	70,823
Net assets (equity) attributable to the unitholders		**77,050,223**	46,876,676
Units in issue (numbers)			
Class A		**288,495**	370,789
Class B		**2,245,075**	1,318,072
Net assets (equity) value attributable to each unit – IFRS			
Class A	17	**30.05**	27.57
Class B		**30.46**	27.80
Net assets (equity) value attributable to each unit – Dealing			
Class A	17	**30.05**	27.57
Class B		**30.46**	27.80

The accompanying notes (1) to (19) form an integral part of these financial statements.

ASHMORE SAUDI EQUITY FUND
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STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2024
(Amounts in SAR)

INCOME	**Notes**	**31 December 2024**	31 December 2023
Net gains on investments measured at FVTPL	10	**4,153,980**	7,843,399
Dividend income		**1,246,877**	1,244,313
		5,400,857	9,087,712
EXPENSES			
Management fee	11,12	**511,864**	409,299
Other expenses	13	**183,006**	152,381
		694,870	561,680
Net income for the year		**4,705,987**	8,526,032
Other comprehensive income		**-**	-
Total comprehensive income for the year		**4,705,987**	8,526,032

The accompanying notes (1) to (19) form an integral part of these financial statements.

ASHMORE SAUDI EQUITY FUND
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STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS
For the year ended 31 December 2024
(Amounts in SAR)

	31 December 2024	31 December 2023
Net assets (equity) attributable to the unitholders at beginning of the year	**46,876,676**	38,572,836
Net income for the year	**4,705,987**	8,526,032
Proceeds from issuance of units		
Class A	**5,700,000**	7,248,538
Class B	**68,000,000**	9,700,715
	73,700,000	16,949,253
Payment for redemption of units		
Class A	**(8,100,840)**	(4,827,906)
Class B	**(40,131,600)**	(12,343,535)
	(48,232,440)	(17,171,449)
Net contribution by the Unitholders	**77,050,223**	46,876,676
Net assets (equity) attributable to the unitholders at end of the year	**77,050,223**	46,876,676

UNITS TRANSACTIONS

Transactions in units for the year are summarized as follows:

	2024		2023	
	Class A (In numbers)	**Class B (In numbers)**	**Class A (In numbers)**	**Class B (In numbers)**
Units at beginning of the year	**370,789**	**1,318,072**	291,459	1,405,304
Units issued	**186,595**	**2,245,075**	289,777	422,628
Units redeemed	**(268,889)**	**(1,318,072)**	(210,447)	(509,860)
Units at end of the year	**288,495**	**2,245,075**	370,789	1,318,072

The accompanying notes (1) to (19) form an integral part of these financial statements.

ASHMORE SAUDI EQUITY FUND
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STATEMENT OF CASH FLOWS
For the year ended 31 December 2024
(Amounts in SAR)

	Notes	31 December 2024	31 December 2023
Cash flows from operating activities			
Net income for the year		**4,705,987**	8,526,032
Adjustments to reconcile net income to net cash generated from operating activities:			
Unrealised losses / (gains) on investments measured at FVTPL	10	**6,474,778**	(2,908,589)
		11,180,765	5,617,443
Net changes in operating assets and liabilities			
Increase in investments measured at FVTPL		**(36,832,936)**	(5,361,145)
Decrease / (increase) in other assets		**254,658**	(2,440,091)
Increase in accrued expenses		**46,121**	8,024
Net cash used in operating activities		**(25,351,392)**	(2,175,769)
Cash flow from financing activities			
Proceeds from issuance of units		**73,700,000**	16,949,253
Payments for redemption of units		**(48,232,440)**	(17,171,444)
Net cash generated from / (used) in financing activities		**25,467,560**	(222,191)
Net increase / (decrease) in cash and cash equivalents		**116,168**	(2,397,960)
Cash and cash equivalents at beginning of the year	6	**1,186,805**	3,584,765
Cash and cash equivalents at end of the year	6	**1,302,973**	1,186,805

The accompanying notes (1) to (19) form an integral part of these financial statement

1. THE FUND AND ITS ACTIVITIES

Ashmore Saudi Equity Fund ("the Fund") is an open-ended investment fund established and managed through an agreement between Ashmore Investments Saudi Arabia ("the Fund Manager") and investors ("the Unitholders"). The Capital Market Authority ("CMA") approval for the establishment of the Fund was granted in its letter dated 30 Safar 1436H (corresponding to 22 December 2014). The Fund commenced its operations on 10 Rabi al-awwal 1436H (corresponding to 5 January 2015).

The Fund's investment objective is to achieve over the medium to long-term capital growth by investing in a diversified portfolio of equities of companies listed on the Saudi Stock Exchange ("the Tadawul"). The Fund benchmarks its performance to Tadawul and aims to provide comparatively better returns to the unitholders.

In dealing with the unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate financial statements of the Fund.

During the period the Fund revised its terms and conditions on 20 April 2022 which incorporates the establishment of the Class B units with a minimum subscription amount of SR 10,000,000. The Fund Manager obtained approval from the CMA for this revision on 20 April 2022. After the resultant approval, both Class A and Class B units were available to be subscribed and enabled certain unitholders to redeem their Class A units and subsequently subscribe for Class B units. Furthermore, the fund management fee was revised where the Fund Manager charges the Fund a management fee of 1.25% and 0.80% of the net assets (equity) value of Class A and Class B units respectively at each valuation day.

The custodian, administrator and registrar of the Fund is HSBC Saudi Arabia.

2. REGULATORY AUTHORITY

The Fund is governed by the Investment Fund Regulations ("the Regulations") published by CMA.

3. SUBSCRIPTION / REDEMPTION OF UNITS (DEALING DAY AND VALUATION DAY)

The Fund is open for subscriptions / redemptions every business day (each a "Dealing Day") and performs valuations every Monday and Wednesday (each a "Valuation Day"). The "cut off" time for subscriptions / redemptions is 1:00pm of every valuation day. In case the valuation and dealing day happen to fall on a day which is a public holiday in the Kingdom of Saudi Arabia, the valuation and dealing day will be on the immediate next valuation and dealing day. The unit price on subscription or the unit price on redemption is represented in the Net Assets (Equity) Value ("NAV") per unit calculated by the administrator on the next valuation day on which the units were subscribed or redeemed for.

The NAV of the Fund for the purpose of purchase or redemption of units is calculated by subtracting from the value of the Fund's total assets value the amount of the Fund's total liabilities. The unit price is determined by dividing such resulting figure by the total number of outstanding units on the relevant valuation day. The unit price upon commencement of subscriptions was SAR 10.

4. BASIS OF PRESENTATION

4.1 Statement of compliance

These financial statements are prepared in accordance with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia, other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") and comply with the applicable requirements of the Investment Funds Regulations issued by the CMA, the Fund's Terms and Conditions.

4. BASIS OF PRESENTATION (CONTINUED)

4.2 Basis of measurement

The financial statements have been prepared on a historical cost basis (except for investments measured at FVTPL which are stated at their fair value) using the accrual basis of accounting.

The Fund Manager has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Fund Manager is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

The line items in the statement of financial position have been presented in the order of liquidity.

4.3 Functional and presentation currency

These financial statements are presented in Saudi Arabian Riyals (SAR), which is also the functional currency of the Fund. All financial information presented has been rounded to the nearest SAR.

4.4 Use of estimates and judgements

The preparation of these financial statements in conformity with IFRS requires the use of certain critical accounting judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires the Fund Manager to exercise its judgement in the process of applying the Funds' accounting policies. Such judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advice and expectations of future events that are believed to be reasonable under the circumstances.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Fund does not contain any significant judgements and no estimates were applied during the preparation of the financial statements.

5. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Financial assets and financial liabilities

Recognition and initial measurement

Financial assets and financial liabilities at FVTPL are initially recognised on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument.

Financial assets at FVTPL are initially recognised at fair value, with transaction costs recognised in profit or loss. Financial assets not at FVTPL are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Classification of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income ("FVOCI") or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial assets and financial liabilities (continued)

Classification of financial assets

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in FVOCI. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

As at 31 December 2024 and 2023, the Fund's financial assets are cash and cash equivalent and investments measured at FVTPL.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and the information is provided to the Fund Manager.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing the financial assets.

Expected credit losses

Expected Credit Loss ("ECL) is a probability-weighted estimate of credit risk and is recognized on debt financial assets measured at amortised cost and FVOCI based on estimating the probability of default ("PD") and loss given default ("LGD") for a given counterparty exposure for the Fund.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial assets and financial liabilities (continued)

Classification of financial liabilities
The Fund classifies its financial liabilities at amortised cost unless it has designated liabilities at FVTPL.

Derecognition
The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Transactions is which the Fund transfers assets recognised on its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or portion of them, the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all of the risks and rewards include sale and repurchase transactions.

Transactions in which the Fund neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Fund continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Fund derecognises a financial liability when its contractual obligations are either discharged or cancelled or expire.

<u>Revenue recognition</u>

Net gains on investments measured at FVTPL
Net gains on investments measured at FVTPL includes all realised and unrealised fair value changes and foreign exchange differences (if any), but excludes special commission and dividend income.

Net realised gains from financial instruments at FVTPL is calculated using the weighted average cost method.

Dividend income
Dividend income is recognised in comprehensive income on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at FVTPL is recognised in comprehensive income in a separate line item.

Fees and other expenses
Fees and other expenses are recognised in comprehensive income as the related services are received.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Zakat and income tax

Under the current system of taxation in Kingdom of Saudi Arabia the Fund is not liable to pay any zakat or income tax. Zakat and income tax are considered to be the obligation of the unitholders and are not provided in the accompanying financial statements.

The Value Added Tax ("VAT") applicable for fees and expenses are recognised in the statement of comprehensive income.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from similar investment transactions such as in the Fund's trading activity.

Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks.

Fair value measurement

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Fund measures instruments quoted in an active market at a mid price, because this price provides a reasonable approximation of the exit price.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Subscription and redemption on units

Units subscribed and redeemed are recorded at net asset (equity) value per unit on the Valuation Day for which the subscription request and redemption applications are received.

Redeemable units

The redeemable units are as equity instruments as they meet certain strict criteria. Those criteria include:

- the redeemable units must entitle the holder to a pro-rata share of net assets;
- the redeemable units must be the most subordinated class and class features must be identical;
- there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and
- the total expected cash flows from the redeemable units over its life must be based substantially on the profit or loss of the issuer.

Net assets (equity) value

Net assets (equity) value per unit, as disclosed in the statement of financial position is calculated by dividing the net assets (equity) of the Fund by the numbers of units in issue as at the period end.

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.1 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

5.1.1 The following new amendments to standards, enlisted below, are effective from 1 January 2024 but they do not have a material effect on the Fund's financial statements:

Standard, interpretation, amendments	**Description**	**Effective date**
Amendment to IFRS 16 – Leases on sale and leaseback.	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	01 January 2024
Amendment to IAS 7 and IFRS 7 on Supplier finance arrangements.	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	01 January 2024
Amendment to IAS 1- Non-current liabilities with covenants.	The amendment has clarified o what is meant by a right to defer settlement, o that a right to defer must exist at the end of the reporting period, o that classification is unaffected by the likelihood that an entity will exercise its deferral right, and that only if an embedded derivative in a convertible liability is itself an equity instrument the terms of liability would not impact its classification.	01 January 2024

5.1.2 The Fund has not applied the following amendment to IFRS that have been issued but are not yet effective:

Standard, interpretation, amendments	**Description**	**Effective date**
Amendment to IAS 21 - Lack of exchangeability	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.	01 January 2025

5. MATERIAL ACCOUNTING POLICIES (CONTINUED)

5.1 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS (CONTINUED)

5.1.2 The Fund has not applied the following amendment to IFRS that have been issued but are not yet effective: (continued)

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	These amendments clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. Additionally, these amendments introduce new disclosure requirements and update others.	01 January 2026
IFRS 19 - Reducing subsidiaries' disclosures	IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.	01 January 2027
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes. Further, operating expenses are presented directly on the face of the income statement – classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature. IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs)* and eliminates classification options for interest and dividends in the statement of cash flows.	01 January 2027

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following:

	31 December 2024	31 December 2023
Balance with banks	**1,302,973**	1,186,805
	1,302,973	1,186,805

7. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

Investments measured at FVTPL represent investments in equity securities listed on Tadawul in various industry sectors as follows:

	31 December 2024
	Fair value
Basic Material	**15,924,751**
Telecommunications	**3,096,240**
Banks	**28,944,120**
Food & Beverages	**7,299,406**
Capital Goods	**6,884,931**
Energy	**6,171,253**
Insurance	**4,623,043**
Retailing	**735,017**
	73,678,761

	December 2023
	Fair value
Oil and gas	7,387,229
Basic Material	7,982,392
Industrials	1,623,185
Consumer Goods	1,934,921
Healthcare	1,416,637
Consumer Services	3,340,877
Telecommunications	1,740,008
Financials	17,613,397
Technology	281,957
	43,320,603

8. OTHER ASSETS

As at 31 December 2024, the Fund has other receivables amounting to SR 2.19 million (which includes sundry debtors amounting to 2.19 million).

9. ACCRUED EXPENSES

	31 December 2024	31 December 2023
Management fee	**64,607**	39,880
Custody fee	**5,675**	1,998
Administration fee	**3,405**	11,237
Audit fee	**22,738**	3,330
Other accrued expenses	**20,519**	14,378
	116,944	70,823

10. NET GAINS ON INVESTMENTS MEASURED AT FVTPL

	31 December 2024	31 December 2023
Realised gains	**10,628,758**	4,934,810
Unrealised (losses) / gains	**(6,474,778)**	2,908,589
	4,153,980	7,843,399

11. TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The related parties of the Fund include the Fund Manager, the Fund Board and other funds being managed by the Fund Manager. In the ordinary course of its activities, the Fund transacts business with the Fund Manager.

The Fund does not charge any subscription fee on subscription of units and redemption fees on redemption of units. Other expenses paid by the Fund Manager on the behalf of the Fund are recharged to the Fund as they are incurred.

In addition to the related party transactions disclosed elsewhere in these financial statements, the significant transactions with related parties for the period are as follows:

		Transactions		**Balance**	
Related party	**Nature of transaction**	**For the year ended 31 December 2024**	For the year ended 31 December 2023	**31 December 2024**	31 December 2023
The Fund Manager	Management fee	**511,864**	409,299	**64,607**	39,880
The Fund Board	Board remuneration	**10,000**	10,000	**10,000**	10,000

12. MANAGEMENT FEE AND OTHER FEES

The Fund pays management fee calculated at an annual rate of 1.25 and 0.80 percent per annum of the Fund's net assets (equity) attributable to unitholders of Class A and Class B units respectively, based on the applicable appointment of net assets. This management fee is accrued daily and paid on a monthly basis, as per the Terms and Conditions of the Fund.

The Fund pays custody fee, administration fee and registration fee to HSBC Saudi Arabia who is the custodian, administrator and registrar of the Fund. These fees are calculated based on slab percentages linked to net assets (equity) value of the Fund subject to stated minimum fee.

13. OTHER EXPENSES

	31 December 2024	31 December 2023
Custody fee	**41,707**	36,153
Professional fee	**28,750**	28,750
Admin fee	**25,024**	21,692
Registration fee	**20,959**	20,183
Transaction fee	**14,641**	16,603
Tadawul charges	**11,500**	11,500
Tax consultancy service	**18,285**	-
Financial reporting	**4,640**	-
Board remuneration	**10,000**	10,000
CMA fee	**7,500**	7,500
	183,006	152,381

14. RISK MANAGEMENT POLICIES

The Fund has exposure to the following risks from financial instruments:

- credit risk;
- liquidity risk; and
- market risks.

This note presents information about the Fund's objectives, policies and processes for measuring and managing risk, and the Fund's management of capital.

Risk management framework
The Fund maintains positions in non-derivative financial instruments in accordance with its investment management strategy. The Fund's investment portfolio comprises units of equity shares of listed companies.

The Fund's investment manager has been given discretionary authority to manage the assets in line with the Fund's investment objectives. Compliance with the target asset allocations and the composition of the portfolio are monitored by the Fund Board on a semi-annual basis.

In instances where the portfolio has diverged from target asset allocations, the Fund's investment manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Fund is exposed to credit risk for its cash and cash equivalents. The Fund Manager seeks to limit its credit risk by monitoring credit exposures and by dealing with only reputable counterparties.

The Fund's policy over credit risk is to minimize its exposure to counterparties with perceived higher risk of default by dealing only with counterparties that meet the certain credit standards.

14. RISK MANAGEMENT POLICIES(CONTINUED)

Credit risk (continued)

Credit risk is monitored on a regular basis by the Fund Manager to ensure it is in line with the investment guidelines of the Fund Board.

The Fund's activities may give rise to settlement risk. 'Settlement risk' is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For all of transactions, the Fund mitigates this risk by conducting settlements through a regulated broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

The table below shows the maximum exposure to credit risk for the components of the statement of financial position.

	31 December 2024	31 December 2023
Cash and cash equivalents	**1,302,973**	1,186,805
Other assets	**2,185,433**	2,440,091
Total exposure to credit risk	**3,488,406**	3,626,896

The Fund does not have a formal internal grading mechanism. Credit risk is managed and controlled by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. Credit risks are generally managed on the basis of external credit ratings of the counterparties.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in releasing funds to meet commitments associated with financial liabilities.

The Fund's Terms and Conditions provide for the subscriptions and redemptions of units throughout the week and it is, therefore, exposed to the liquidity risk of meeting unitholders redemptions. As at 31 December 2024, the Fund's cash and cash equivalents and investments measured at FVTPL are considered to be short-term in nature and readily realisable. The Fund Manager monitors liquidity requirements on a regular basis and seeks to ensure that funds are available to meet commitments as they arise.

Market risk

Market risk is the risk that changes in market prices – such as interest rates, foreign exchange rates, and credit spreads – will affect the Fund's income or the fair value of its holdings in financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective as per the Fund's Terms and Conditions. The Fund's market risk is managed on a timely basis by the investment manager in accordance with the policies and procedures in place. The Fund's market positions are monitored on a timely basis by the Fund Manager.

14. RISK MANAGEMENT POLICIES (CONTINUED)

Market risk (continued)

Equity price risk
Equity price risk is the risk that the value of financial instruments will fluctuate because of changes in market prices.

The Fund's investments are susceptible to equity price risk arising from uncertainties about future prices. The Fund Manager manages this risk through diversification of its investment portfolio in terms of industry concentration

Sensitivity analysis
The table below sets out the effect on Fund's statement of comprehensive income of a reasonably possible weakening / strengthening in the individual equity market prices of 5% at reporting date. The estimates are made on an individual investment basis. The analysis assumes that all other variables, in particular commission and foreign currency rates, remain constant.

	December 2024		December 2023	
Net gain / (loss) on investments measured at FVTPL	**+5%**	**3,683,938**	+ 5%	2,166,030
	-5%	**(3,683,938)**	- 5%	(2,1660,030)

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market are accessible by the Fund.

Financial instruments comprise financial assets and financial liabilities. The Fund's financial assets consist of financial assets held at FVTPL and financial assets measured at amortize cost.

Fair value hierarchy
The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; or

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The table below presents the investments measured at their fair values as of reporting date based on the fair value hierarchy:

	31 December 2024				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments measured at FVTPL	**73,678,761**	**73,678,761**	**-**	**-**	**73,678,761**
Total	**73,678,761**	**73,678,761**	**-**	**-**	**73,678,761**

	31 December 2023				
	Carrying Value	Level 1	Level 2	Level 3	Total
Investments measured at FVTPL	43,320,603	43,320,603	-	-	43,320,603
Total	43,320,603	43,320,603	-	-	43,320,603

During the year, there were no transfers between the fair value levels.

The carrying amounts of the financial assets such as cash and cash equivalents approximate fair value because of their short-term nature and the high credit quality of counterparties. The carrying amount of the accrued expenses approximate fair value because of its short-term nature and are categorised as level 3.

16. LAST VALUATION DAY

The last valuation day of the year was 31 December 2024 (2023: 31 December 2023).

17. NET ASSETS (EQUITY) VALUE

The CMA, through its circular dated 10 Rabi Al Thani 1439H (corresponding to 28 December 2017), has approved the Dual NAV approach for investment funds. In accordance with the circular, IFRS 9 will be applied for accounting and reporting purposes and dealing NAV will remain unaffected until further notice.

The NAV per unit of the Fund is presented as follows:

	31 December 2024		31 December 2023	
	Class A	**Class B**	Class A	Class B
Apportioned NAV	**8,669,486**	**68,380,736**	10,225,342	36,651,334
NAV per unit	**30.0507**	**30.4581**	27.5772	27.8068

18. SUBSEQUENT EVENTS

There were no subsequent events after the statement of financial position date which require adjustments to/or disclosure in the financial statements.

19. DATE OF AUTHORISATION

These financial statements were authorized for issue by the Fund Board on 12 March 2025 (corresponding to 12 Ramadan 1446H).